

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3233
ANSWERED ON:11.08.2000
GROWTH RATE OF GDP
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of FINANCE be pleased to state:

- (a) the growth rate of GDP during 1998-99 and 1999-2000;
- (b) whether it has been decelerating from the past;
- (c) if so, the reasons therefor; and
- (d) the steps being taken to increase it ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR)

(a) & (b) As per the latest available data with the Central Statistical Organisation, the growth in real gross domestic product (GDP) was 6.8 percent in 1998-99 (Quick estimates) and 6.4 percent in 1999-2000 (Revised estimates).

(c) The slowdown in GDP growth in 1999-2000 is mainly due to decline in GDP in agriculture, forestry and fishing from 7.2 percent in 1998-99 to 1.3 percent in 1999-2000 and in trade, hotels, transport and communication from 8.1 percent in 1998-99 to 6.7 percent in 1999-2000.

(d) The Budget for 2000-2001 has outlined a detailed strategy to put the economy on a sustained, equitable and job creating growth path of 7 to 8 percent per year. The various economic reform measures undertaken are also expected to have a favourable impact on the growth of the economy.